Postal Regulatory Commission
Submitted 8/29/2017 3:23:28 PM
Filing ID: 101417
Accepted 8/29/2017

UNITED STATES OF AMERICA
POSTAL REGULATORY COMMISSION
WASHINGTON, D.C. 20268-0001

Inquiry Concerning Postal Service
City Carrier Costs

Docket No. PI2017-1

CHAIRMAN'S INFORMATION REQUEST NO. 3

(Issued August 29, 2017)

To further assist the Commission in its inquiry concerning the Postal Service's response to Order No. 2792[1] and explain the Postal Service's responses to CHIRs[2] and its status report on its top-down equation,[3] the Postal Service is requested to provide written responses to the following questions and requests for information. The responses should be provided as soon as possible, but no later than September 5, 2017.

1. In its Response to CHIR No. 2, questions 6(a)-(b), the Postal Service provided a table that lists the Time and Attendance Collection System (TACS) city carrier street hours for two pay periods of each quarter of fiscal year 2016 (FY 2016). Please refer to that table in answering the following questions.

   a. For each quarter, please specify which dates encompass the "two pay periods."

---

[1] Docket No. RM2015-7, Response of the United States Postal Service to Commission Order No. 2792, February 16, 2016 (Response to Order No. 2792).

[2] *See* Responses of the United States Postal Service to Questions 1-7 of Chairman's Information Request No. 1, June 30, 2017 (Response to CHIR No. 1); Responses of the United States Postal Service to Questions 1-10 of Chairman's Information Request No. 2, July 25, 2017 (Response to CHIR No. 2).

[3] Notice of the United States Postal Service Regarding Status Report on Top-Down Carrier Street Time Equation, August 18, 2017, file "Status.Report.Top.Down.Model.pdf" (Status Report on the Top-Down Equation).

b. For each quarter, please specify how the two chosen pay periods were selected.

c. The table shows that quarter 1 of FY 2016 had the lowest number of TACS Labor Distribution Codes (LDC) 23 city carrier street workhours. However, in Docket No. ACR2016, the Postal Service states that total city carrier Special Purpose Route (SPR) costs were at their highest in FY 2016 during quarter 1.[4] Please explain.

d. In Docket No. ACR2016, the Postal Service found a national total of over 17 million workhours logged to LDC 23.[5] Please describe, and show by quarter, craft, office, and street workhours, how the LDC 23 city carrier street workhours provided in the table were derived.

2. Please specify the typical time interval between when a City Carrier Cost System –Special Purpose Route (CCCS-SPR) sample is drawn and when the first data point from that sample is taken.

3. Please specify the typical time interval between when a CCCS-SPR sample is drawn and when the last data point from that sample is taken.

4. Please refer to the CCCS-SPR Statistical Documentation provided in Docket No. RM2009-10.[6]

   a. Please provide any updates or revisions to the CCCS-SPR documentation provided in Docket No. RM2009-10.

---

[4] Docket No. ACR2016, Responses of the United States Postal Service to Questions 1-15 of Chairman's Information Request No. 13, February 10, 2017, question 6(c).

[5] Docket No. ACR2016, Responses of the United States Postal Service to Questions 1-2, 4-9, 11-13, 15-19, 23, 28, and 31-33 of Chairman's Information Request No. 3, January 13, 2017, Excel file "ChIR.3.Q.1.LDC.Workhours.xlsx."

[6] *See* Docket No. RM2009-10, Petition of the United States Postal Service Requesting Initiation of a Proceeding to Consider Proposed Changes in Analytical Principles (Proposals Three – Nineteen), file "Prop.8.Appendix.CCCS_SPR_Documntatn.pdf," July 28, 2009.

b. Please explain how the CCCS-SPR sample frame accounts for varying route designations and day-specific routes.

5. Please describe how mail collected from customer receptacles is handled and how and where it enters the mail stream.

6. Please confirm that the Delivery Operations Information System (DOIS) is the source of the street hours data used as the dependent variable in the top-down regressions presented in the Postal Service's Status Report on the Top-Down Equation.

   a. If not confirmed, please indicate the source of the street workhours data.

   b. Please indicate whether the DOIS operational dataset also contains data on street workhours logged by city carriers on SPRs.

7. Please refer to Table 1 in the Postal Service's Status Report on the Top-Down Equation.[7] For the table's terms DPS, FSS, Sequenced, and Cased, please describe:

   a. In general terms, the mail shape composition (*e.g.*, letters, flats, or parcels) for each term;

   b. For each term and shape, how is it handled during delivery by a typical city carrier. Please indicate in your response how each type of mail and shape differs from the three other types referenced in this question; and

   c. Please indicate the reasons why the marginal time associated with these four types of mail would be expected to differ.[8]

8. In the Postal Service's Response to CHIR No. 1, the Postal Service stated that "[i]t is important, therefore, to ensure that only those parcels and accountables

[7] Status Report on the Top-Down Equation at 6.

[8] Status Report on the Top-Down Equation at 8.

associated with city carrier letter route street time were included in the data set." It explains further that this is the reason it attempted to match street hours and Product Tracking and Reporting (PTR) volumes at the route level. Response to CHIR No. 1, question 1. However, due to inconsistencies between the PTR and DOIS at the route level, it collected PTR parcel and accountable data at the ZIP Code level, "so they could be matched with DOIS data at the ZIP Code level." *Id.*

a. Please explain whether the PTR parcel and accountable data that are included in the dataset used in the top-down regressions include parcel and accountable volume data for parcels that were delivered on special purpose routes.

b. Please explain whether the workhours data included in the dataset that formed the dependent variable included street workhours for regular delivery routes only, street workhours for regular delivery routes plus special purpose routes, or for some other set of routes.

9. In its Status Report on the Top-Down Equation, the Postal Service states that "[t]he estimated coefficients for the complete model were provided in the Postal Service's Report on City Carrier Street time submitted in Docket RM2015-7 and the estimated coefficients for the reduced model are presented in Table 1."[9] Please provide the input files and programs for the:

a. complete model; and

b. reduced model.

By the Chairman.

Robert G. Taub

[9] Status Report on the Top-Down Equation at 5.